# THE MANITOBA ECONOMY

## PROJECTED 2006 PERFORMANCE

MANITOBA
BUREAU OF STATISTICS

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**REPORT #4A**

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**NOVEMBER 7, 2006**

# Manitoba Bureau of Statistics

HIGHLIGHTS:

## PROJECTED MANITOBA GROSS DOMESTIC PRODUCT ESTIMATES FOR 2006

(November 7, 2006)

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### Overview

- The Manitoba Bureau of Statistics (MBS) estimates that the **Manitoba economy will grow by 3.2% in 2006,** up 0.3 percentage points from the 2.9% real growth recorded in 2005. **Manitoba's 3.2% real growth in 2006 is above the Canadian projected average growth rate of 2.9%** reported by the private sector forecasting agencies.

- **The provincial economy will generate a record $37.6 billion of real expenditures in 2006 (market price).** Final domestic demand spending (excluding foreign trade) is estimated at $39.4 billion.

- Economic growth in 2006 was lead by a dramatic rebound in crop production and continued strength in residential and non-residential construction. As well, high commodity prices helped spur expanded production in the mining, oil and gas sector, while overall spending benefited from low interest rates, and good income growth.

### Consumer Spending

- **Total real personal spending is estimated to grow by 3.6% in 2006 to $23.2 billion up from $22.4 billion in 2005**. Year to date (October) retail trade data indicates a 6.0% increase in sales in 2006.

- All categories of consumer spending (durable, non-durable, semi-durable and services) are projected to show positive real growth in 2006. Semi-durable goods, which include clothing and household textiles and furnishings, report the largest growth at 7.9%, followed by services at 4.4%.

### Investment

- **Overall business investment is projected to rise 8.6% in 2006**. This follows two solid years of growth in 2004 and 2005 which saw investment increase 9.0% and 6.8% respectively.

- **Investment in residential structures** is estimated to grow by 14.5% to $1.8 billion up from $1.6 billion in 2005. Spending on repair and renovation work on existing homes continues at a torrid pace sustained by a rising real estate market and strong personal income growth. Manitoba housing starts for 2006 are projected to hit 4,900 units up from the 4,731 units built in 2005.

- On the non-residential side, **real business investment growth in non-residential structures** accelerated to 19.6% in 2006 rising to $1.4 billion from $1.2 billion in 2005. Large projects such as the new ethanol plant in Minnedosa have contributed significantly to this increase.

- **Real government investment in structures and machinery and equipment** is expected to rise 24.2% in 2006 following two years of real decline. Leading the way were dramatic increases in municipal infrastructure investment due in part to the sharing of federal gas tax monies and larger provincial grants. Continuing construction on a number of large projects such as the expansion of the Red River Floodway also contributed to the strongest growth the sector has seen in a decade.

## Agriculture

- The economic growth in Manitoba, projected for 2006, comes in part from the recovery of the agricultural sector which last year tallied the worst crop production figures in a dozen years. This year saw the largest canola crop on record and the strongest wheat prices in years.

- **Reversing last year's decline, accrued net farm income is projected to rebound from minus $56 million in 2005, to $350 million in 2006.** This figure includes the value of farm inventory changes which saw a $581 million swing from 2005 to 2006. During this time period the value of farm inventories went from minus $294 million in 2005 to $287 million this year.

- Contributing to the recovery of the agricultural sector was the U.S.-Canada border being open to exports of live cattle under 30 months of age for the entire year. In 2005, the border opened for this export category in mid-July.

- While 2006 crop receipts are up 3.2%, this is overshadowed by a 6.2% drop in livestock receipts due primarily to falling hog prices. As a result **farm cash receipts are expected to post a 1.7% decline in 2006.**

- **Net cash income** (receipts less expenses), which represents cash on hand, is expected to drop by $165 million or 26.2% in 2006. This situation should improve in 2007 when the 2006 grain and oilseed crop is marketed.

- **Farm operating expenses** for 2006 rose by 3.3%. This was due in part to an increase in seeded acres this year. In 2005, wet conditions saw the amount of farm land left fallow more than 160% above the ten year average.

## The Bank of Canada and the Canadian Dollar

- **During the first five months of 2006 the Bank of Canada raised its target rate from 3.50% to 4.50%.** Since then rates have remained steady. While interest rates are still at relatively low levels, incremental decreases may be anticipated in the near term. With inflationary pressures dropping across most of the country and a significant slowdown underway in Ontario and Quebec, it is anticipated that the Bank of Canada will soon seek to stimulate a national economy operating significantly below capacity.

- **The Canadian dollar is projected to appreciate by a further 7% against the U.S. dollar in 2006. Since 2002 the Canadian dollar has risen by more than 39% against its U.S. counterpart.**

## Exports and Imports

- In response to the rising Canadian dollar, real export growth slowed for the second straight year falling to 2.4%. This is down from 3.6% and 4.6% in 2005 and 2004 respectively. Inter-provincial exports are projected to grow 2.7% in 2006 while international exports are expected to increase by 2.1%.

- This year's export growth has been supported by increased production in the mining and oil sectors. Shipments of oil are projected to rise more than 50% from 2005 surpassing the $500 million mark in 2006. Continued development of the new Sinclair field as well as record levels of exploration activity throughout the southwest generally supported an all-time record level of both production and drilling.

- On the mining side, a 10% increase in real production is anticipated due in part to the reopening of gold mining operations in the Bissett area. Existing operations throughout the province also managed production increases.

- Overall real import growth is projected to rise 3.9% in 2006. This is up from 3.7% in 2005. Interprovincial imports lead the way rising 4.1 %. International imports for 2006 meanwhile are expected to grow 3.5% in real terms. This marks a decline from the 6.3% growth recorded last year.

## Income

- **Total labour income is estimated to grow by 4.0% in 2006** following a 4.5% gain in 2005. **Labour income should mark a record $22.2 billion.**

- **Growth in pretax corporate profits is expected to dip to 5.6% in 2006 down from the 6.3% increase recorded in 2005.** While profits have been supported by high prices for many commodities such as zinc, nickel, gold, and oil, the strengthening of the Canadian dollar has eroded margins for many Manitoba exporters.

- Driven, in part, by the continued strength in housing, **unincorporated business income** is expected to grow by 4.5% in 2006. This category includes earnings for contractors, real-estate brokers and other independent businesses as well as imputed rent.

- **Personal disposable income is projected to rise 5.1% in 2006 reaching $26.9 Billion.** The projected increase is up from 2.0% growth recorded last year. In 2005 Manitoba saw personal disposable income levels reach $25.6 billion. This year's growth has benefited from a strong rebound in accrued farm income.

# NOTE TO USERS

This publication provides annual estimates for the Manitoba economy from 2000 to 2005 along with projected estimates for 2006.

Estimates for 2006 GDP expenditure, income, farm reconciliation and personal income are provided in this publication. The estimates are based on detailed year to date survey information on a variety of economic data that is monitored by MBS. For the remaining months of the year, trend projections are generated using a macro economic model. These projections provide advance information on the direction and trends in the Manitoba economy in the current year.

The real GDP at Market Prices provided in this publication is based on a Fisher index.

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## GRAPHICAL SUMMARY

(1) GDP at Market Prices, Chained 1997 Dollars

(2) Final Domestic Demand, Chained 1997 Dollars

(3) Personal Expenditure, Chained 1997 Dollars

(4) Government Expenditure, Chained 1997 Dollars

(5) Business Expenditure, Chained 1997 Dollars

(6) Total Exports, Chained 1997 Dollars

(7) International Exports, Chained 1997 Dollars

(8) Total Imports, Chained 1997 Dollars

(9) International Imports, Chained 1997 Dollars

(10) Labour Income, Current Dollars

(11) Accrued Net Farm Income, Current Dollars

(12) Personal Disposable Income, Current Dollars

## TABLE SUMMARY

(1) Manitoba Gross Domestic Product, expenditure-based in Chained $1997

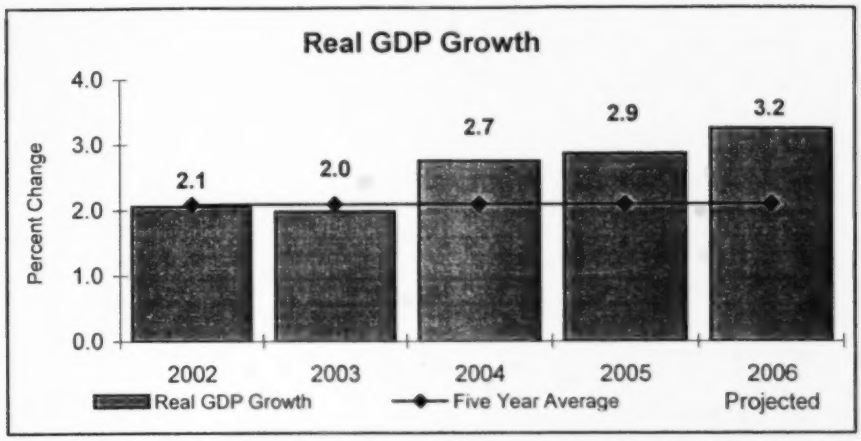
(2) Manitoba Gross Domestic Product, expenditure-based in Current Dollars

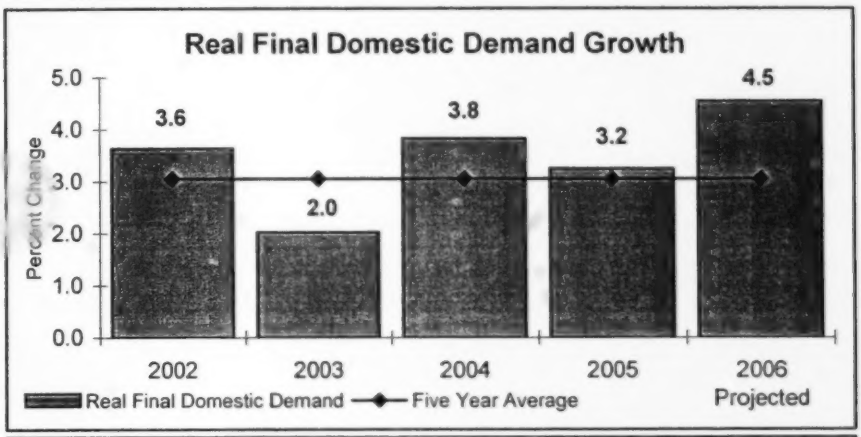
(3) Manitoba Gross Domestic Product, income-based in Current Dollars

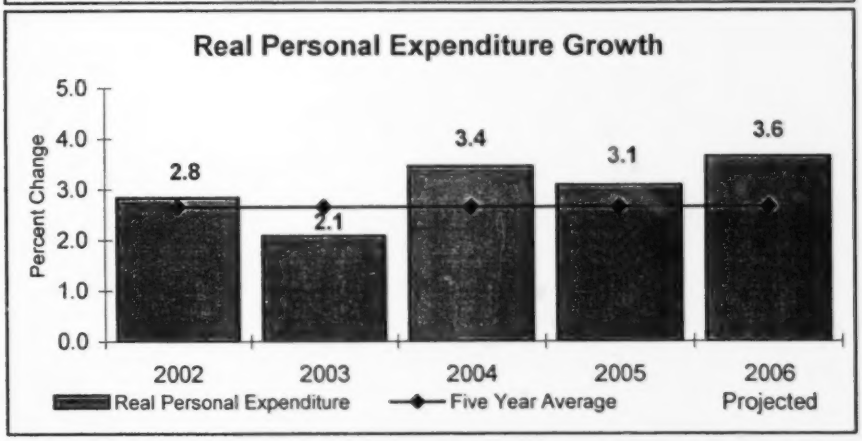
(4) Manitoba Personal Income, sources and disposition in Current Dollars

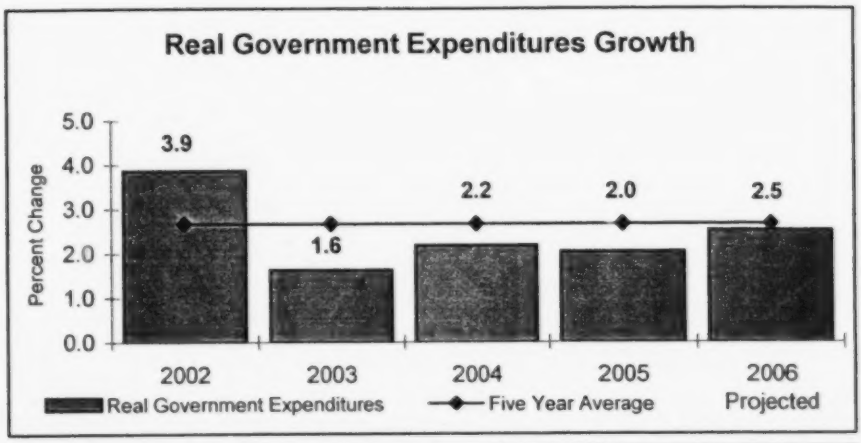
(5) Manitoba Farm Income, reconciliation in Current Dollars

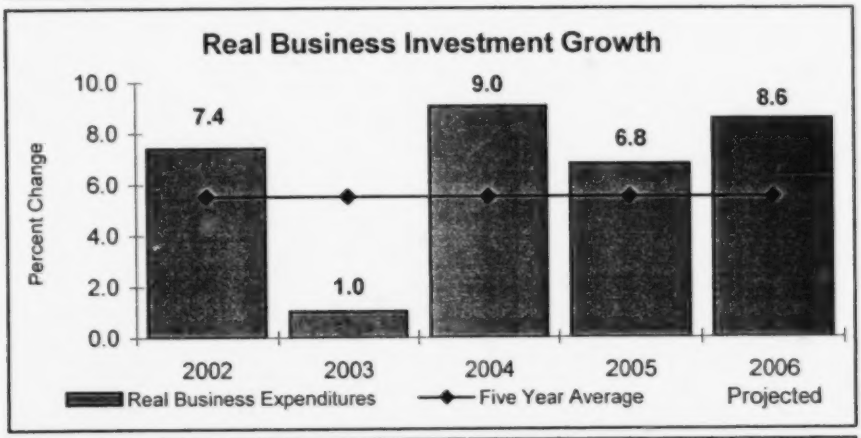
(6) Manitoba Price Indexes (1997 = 100)

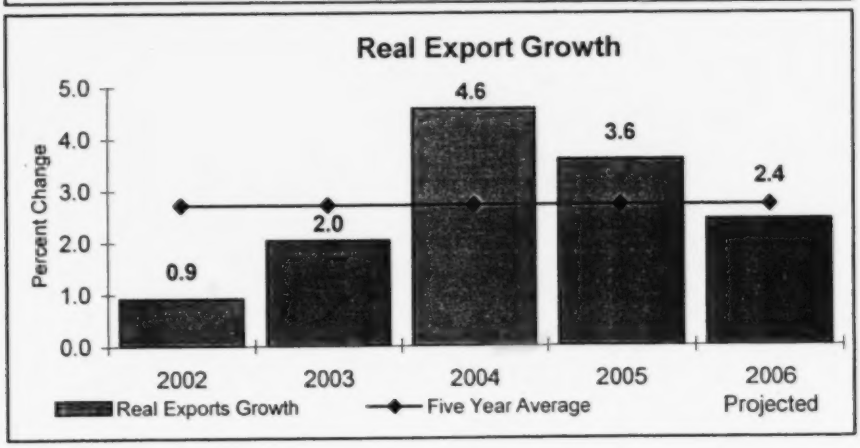

Real GDP Growth
Percent Change
4.0
3.0
2.0
1.0
0.0
2.1
2.0
2.7
2.9
3.2
2002
2003
2004
2005
2006
Projected
Real GDP Growth
Five Year Average

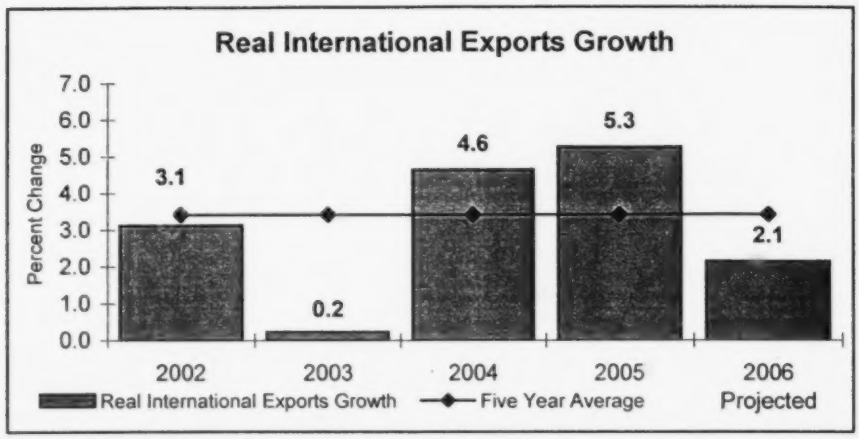

Real Final Domestic Demand Growth
Percent Change
5.0
4.0
3.0
2.0
1.0
0.0
3.6
2.0
3.8
3.2
4.5
2002
2003
2004
2005
2006
Projected
Real Final Domestic Demand
Five Year Average

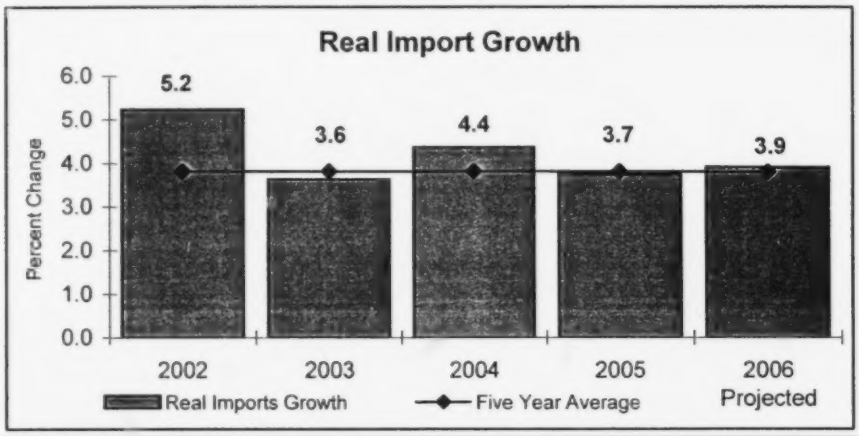

Real Personal Expenditure Growth
Percent Change
5.0
4.0
3.0
2.0
1.0
0.0
2.8
2.1
3.4
3.1
3.6
2002
2003
2004
2005
2006
Projected
Real Personal Expenditure
Five Year Average

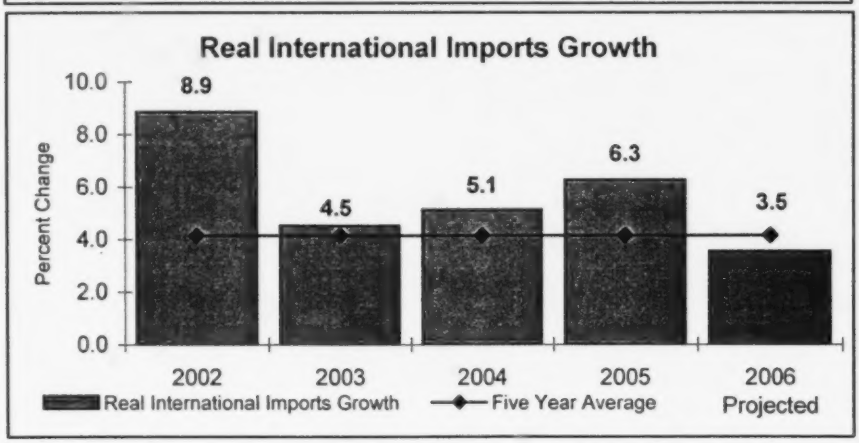

Real Government Expenditures Growth
Percent Change
5.0
4.0
3.0
2.0
1.0
0.0
3.9
1.6
2.2
2.0
2.5
2002
2003
2004
2005
2006 Projected
Real Government Expenditures
Five Year Average

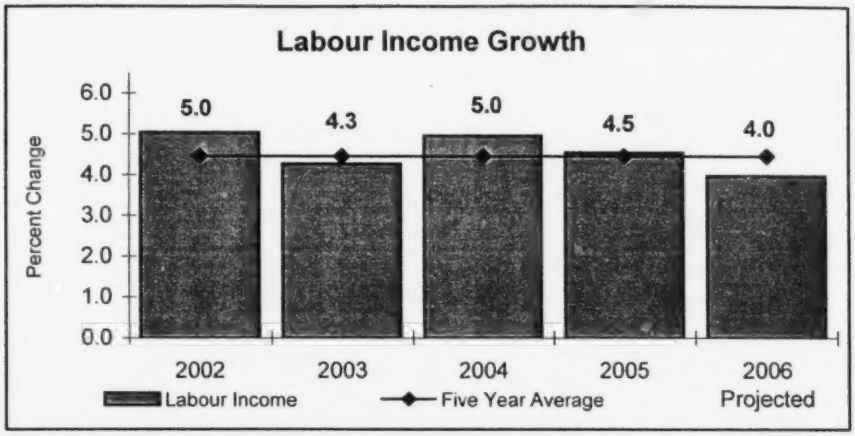

Real Business Investment Growth
Percent Change
10.0
8.0
6.0
4.0
2.0
0.0
7.4
1.0
9.0
6.8
8.6
2002
2003
2004
2005
2006 Projected
Real Business Expenditures
Five Year Average

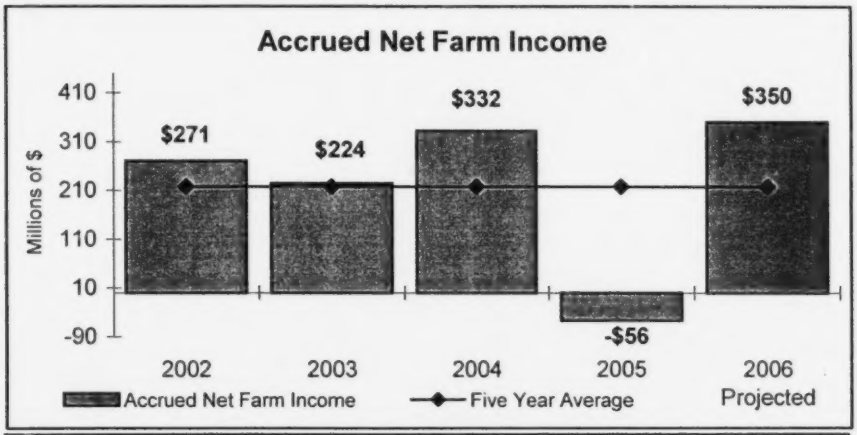

Real Export Growth
Percent Change
5.0
4.0
3.0
2.0
1.0
0.0
0.9
2.0
4.6
3.6
2.4
2002
2003
2004
2005
2006 Projected
Real Exports Growth
Five Year Average


Real International Exports Growth
Percent Change
7.0
6.0
5.0
4.0
3.0
2.0
1.0
0.0
3.1
0.2
4.6
5.3
2.1
2002
2003
2004
2005
2006
Projected
Real International Exports Growth
Five Year Average


Real Import Growth
Percent Change
6.0
5.0
4.0
3.0
2.0
1.0
0.0
5.2
3.6
4.4
3.7
3.9
2002
2003
2004
2005
2006
Projected
Real Imports Growth
Five Year Average


Real International Imports Growth
Percent Change
10.0
8.0
6.0
4.0
2.0
0.0
8.9
4.5
5.1
6.3
3.5
2002
2003
2004
2005
2006
Projected
Real International Imports Growth
Five Year Average


Labour Income Growth
Percent Change
6.0
5.0
4.0
3.0
2.0
1.0
0.0
5.0
4.3
5.0
4.5
4.0
2002
2003
2004
2005
2006 Projected
Labour Income
Five Year Average


Accrued Net Farm Income
Millions of $
410
310
210
110
10
-90
$271
$224
$332
-$56
$350
2002
2003
2004
2005
2006 Projected
Accrued Net Farm Income
Five Year Average

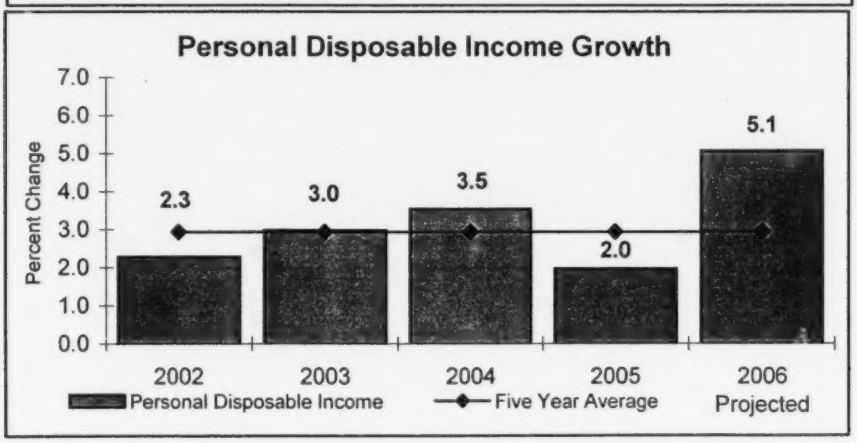

Personal Disposable Income Growth
Percent Change
7.0
6.0
5.0
4.0
3.0
2.0
1.0
0.0
2.3
3.0
3.5
2.0
5.1
2002
2003
2004
2005
2006 Projected
Personal Disposable Income
Five Year Average

TABLE 1

REAL MANITOBA GROSS DOMESTIC PRODUCT
EXPENDITURE-BASED
2000 - 2006

| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 Projected |
|---|---|---|---|---|---|---|---|
| | (MILLIONS OF CHAINED 1997 DOLLARS) | | | | | | |
| PERSONAL EXPENDITURE | 19,625 | 19,996 | 20,563 | 20,990 | 21,714 | 22,382 | 23,197 |
| | 2.2 | 1.9 | 2.8 | 2.1 | 3.4 | 3.1 | 3.6 |
| GOVERNMENT EXPENDITURE | 7,201 | 7,460 | 7,748 | 7,874 | 8,045 | 8,209 | 8,415 |
| | 1.9 | 3.6 | 3.9 | 1.6 | 2.2 | 2.0 | 2.5 |
| GOVERNMENT INVESTMENT IN CAPITAL | 706 | 748 | 728 | 819 | 792 | 754 | 936 |
| | -11.1 | 5.9 | -2.6 | 12.5 | -3.3 | -4.8 | 24.2 |
| STRUCTURES | 433 | 467 | 464 | 503 | 516 | 498 | 633 |
| | -20.0 | 7.9 | -0.7 | 8.6 | 2.5 | -3.4 | 27.0 |
| MACHINERY AND EQUIPMENT | 280 | 286 | 268 | 325 | 273 | 249 | 286 |
| | 10.6 | 2.3 | -6.2 | 21.2 | -16.0 | -8.9 | 15.0 |
| GOVERNMENT INVESTMENT IN INVENTORIES | 1 | 0 | -2 | 0 | 1 | 0 | 0 |
| BUSINESS INVESTMENT | 4,903 | 5,065 | 5,440 | 5,496 | 5,993 | 6,401 | 6,949 |
| | -0.2 | 3.3 | 7.4 | 1.0 | 9.0 | 6.8 | 8.6 |
| RESIDENTIAL STRUCTURES | 1,026 | 1,127 | 1,246 | 1,363 | 1,505 | 1,591 | 1,822 |
| | 3.4 | 9.8 | 10.6 | 9.4 | 10.4 | 5.8 | 14.5 |
| NON-RESIDENTIAL STRUCTURES | 1,082 | 1,220 | 1,155 | 1,226 | 1,171 | 1,211 | 1,448 |
| | -19.1 | 12.7 | -5.3 | 6.1 | -4.5 | 3.5 | 19.6 |
| MACHINERY AND EQUIPMENT | 2,818 | 2,729 | 3,062 | 2,909 | 3,357 | 3,658 | 3,660 |
| | 8.9 | -3.2 | 12.2 | -5.0 | 15.4 | 9.0 | 0.1 |
| BUSINESS INVESTMENT IN INVENTORIES | 515 | -143 | 231 | 610 | 139 | 68 | 28 |
| NON-FARM | 249 | -68 | 255 | 106 | 132 | 163 | 72 |
| FARM | 275 | -76 | -31 | 532 | -33 | -177 | -74 |
| EXPORTS OF GOODS AND SERVICES | 20,543 | 21,057 | 21,249 | 21,681 | 22,673 | 23,488 | 24,059 |
| | 4.8 | 2.5 | 0.9 | 2.0 | 4.6 | 3.6 | 2.4 |
| EXPORTS TO OTHER COUNTRIES | 9,951 | 10,332 | 10,655 | 10,678 | 11,173 | 11,760 | 12,010 |
| | 3.2 | 3.8 | 3.1 | 0.2 | 4.6 | 5.3 | 2.1 |
| EXPORTS TO OTHER PROVINCES | 10,593 | 10,724 | 10,591 | 10,999 | 11,496 | 11,724 | 12,044 |
| | 6.3 | 1.2 | -1.2 | 3.8 | 4.5 | 2.0 | 2.7 |
| DEDUCT: IMPORTS OF GOODS AND SERVICES | 20,729 | 21,170 | 22,277 | 23,083 | 24,090 | 24,990 | 25,969 |
| | 2.1 | 2.1 | 5.2 | 3.6 | 4.4 | 3.7 | 3.9 |
| IMPORTS FROM OTHER COUNTRIES | 10,070 | 9,670 | 10,525 | 11,001 | 11,564 | 12,287 | 12,721 |
| | 4.1 | -4.0 | 8.9 | 4.5 | 5.1 | 6.3 | 3.5 |
| IMPORTS FROM OTHER PROVINCES | 10,668 | 11,496 | 11,748 | 12,085 | 12,537 | 12,763 | 13,300 |
| | 0.3 | 7.8 | 2.2 | 2.9 | 3.7 | 1.8 | 4.2 |
| STATISTICAL DISCREPANCY | 45 | 57 | 73 | 51 | 92 | 66 | -55 |
| **REAL GDP AT MARKET PRICES** | **32,796** | **33,066** | **33,747** | **34,414** | **35,360** | **36,372** | **37,551** |
| | 4.2 | 0.8 | 2.1 | 2.0 | 2.7 | 2.9 | 3.2 |
| REAL FINAL DOMESTIC DEMAND | 32,438 | 33,273 | 34,481 | 35,177 | 36,521 | 37,705 | 39,415 |
| | 1.5 | 2.6 | 3.6 | 2.0 | 3.8 | 3.2 | 4.5 |

MANITOBA BUREAU OF STATISTICS
November, 2006

TABLE 2

MANITOBA GROSS DOMESTIC PRODUCT
EXPENDITURE-BASED
2000 - 2006

| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 Projected |
|---|---|---|---|---|---|---|---|
| | (MILLIONS OF CURRENT DOLLARS) | | | | | | |
| PERSONAL EXPENDITURE | 20,602 | 21,436 | 22,502 | 23,346 | 24,515 | 25,725 | 26,832 |
| | 4.2 | 4.1 | 5.0 | 3.8 | 5.0 | 4.9 | 4.3 |
| GOVERNMENT EXPENDITURE | 7,874 | 8,292 | 8,827 | 9,179 | 9,584 | 10,121 | 10,465 |
| | 7.5 | 5.3 | 6.5 | 4.0 | 4.4 | 5.6 | 3.4 |
| GOVERNMENT INVESTMENT IN CAPITAL | 727 | 770 | 754 | 844 | 832 | 805 | 1,004 |
| | -8.4 | 5.8 | -2.1 | 12.0 | -1.5 | -3.2 | 24.7 |
| STRUCTURES | 468 | 509 | 512 | 570 | 613 | 619 | 786 |
| | -16.0 | 8.8 | 0.5 | 11.4 | 7.5 | 0.9 | 27.0 |
| MACHINERY AND EQUIPMENT | 260 | 261 | 242 | 274 | 219 | 186 | 218 |
| | 9.7 | 0.5 | -7.2 | 13.2 | -20.1 | -14.9 | 16.9 |
| GOVERNMENT INVESTMENT IN INVENTORIES | 1 | 0 | -2 | 1 | 1 | 0 | 0 |
| BUSINESS INVESTMENT | 5,023 | 5,277 | 5,760 | 5,707 | 6,310 | 6,800 | 7,574 |
| | 0.8 | 5.1 | 9.1 | -0.9 | 10.6 | 7.8 | 11.4 |
| RESIDENTIAL STRUCTURES | 1,074 | 1,204 | 1,359 | 1,535 | 1,808 | 1,984 | 2,317 |
| | 5.3 | 12.1 | 12.9 | 13.0 | 17.8 | 9.7 | 16.8 |
| NON-RESIDENTIAL STRUCTURES | 1,169 | 1,338 | 1,289 | 1,397 | 1,405 | 1,514 | 1,837 |
| | -16.2 | 14.4 | -3.6 | 8.3 | 0.6 | 7.8 | 21.4 |
| MACHINERY AND EQUIPMENT | 2,780 | 2,735 | 3,111 | 2,776 | 3,098 | 3,303 | 3,420 |
| | 8.3 | -1.6 | 13.8 | -10.8 | 11.6 | 6.6 | 3.6 |
| BUSINESS INVESTMENT IN INVENTORIES | 389 | -71 | 144 | 286 | 147 | -16 | 143 |
| NON-FARM | 241 | -4 | 281 | 157 | 204 | 243 | 105 |
| FARM | 148 | -67 | -137 | 129 | -57 | -259 | 38 |
| EXPORTS OF GOODS AND SERVICES | 21,366 | 22,244 | 22,680 | 22,824 | 24,308 | 25,289 | 26,301 |
| | 6.8 | 4.1 | 2.0 | 0.6 | 6.5 | 4.0 | 4.0 |
| EXPORTS TO OTHER COUNTRIES | 10,455 | 11,009 | 11,393 | 11,185 | 12,012 | 12,559 | 13,096 |
| | 6.6 | 5.3 | 3.5 | -1.8 | 7.4 | 4.6 | 4.3 |
| EXPORTS TO OTHER PROVINCES | 10,911 | 11,235 | 11,287 | 11,639 | 12,297 | 12,729 | 13,206 |
| | 0.1 | 3.0 | 0.5 | 3.1 | 5.6 | 3.5 | 3.7 |
| DEDUCT: IMPORTS OF GOODS AND SERVICES | 21,990 | 22,881 | 24,093 | 24,445 | 25,625 | 26,688 | 27,793 |
| | 5.8 | 4.0 | 5.3 | 1.5 | 4.8 | 4.1 | 4.1 |
| IMPORTS FROM OTHER COUNTRIES | 10,473 | 10,414 | 11,390 | 11,075 | 11,385 | 11,664 | 11,888 |
| | 5.2 | -0.6 | 9.4 | -2.8 | 2.8 | 2.4 | 1.9 |
| IMPORTS FROM OTHER PROVINCES | 11,518 | 12,466 | 12,703 | 13,370 | 14,240 | 15,024 | 15,905 |
| | 6.4 | 8.2 | 1.9 | 5.3 | 6.5 | 5.5 | 5.9 |
| STATISTICAL DISCREPANCY | 47 | 61 | 79 | 56 | 104 | 76 | -66 |
| **GDP AT MARKET PRICES** | **34,039** | **35,129** | **36,650** | **37,798** | **40,177** | **42,112** | **44,461** |
| | 6.5 | 3.2 | 4.3 | 3.1 | 6.3 | 4.8 | 5.6 |
| FINAL DOMESTIC DEMAND | 34,226 | 35,775 | 37,842 | 39,077 | 41,242 | 43,451 | 45,875 |
| | 4.1 | 4.5 | 5.8 | 3.3 | 5.5 | 5.4 | 5.6 |

MANITOBA BUREAU OF STATISTICS
November, 2006

MANITOBA ECONOMIC ACCOUNTS
TABLE 2

TABLE 3

MANITOBA GROSS DOMESTIC PRODUCT
INCOME-BASED IN CURRENT DOLLARS
2000 - 2006

| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 Projected |
|---|---|---|---|---|---|---|---|
| | | | (MILLIONS OF CURRENT DOLLARS) | | | | |
| WAGES, SALARIES AND SUPPLEMENTARY LABOUR INCOME | 17,146 | 17,733 | 18,626 | 19,421 | 20,384 | 21,309 | 22,156 |
| | 5.3 | 3.4 | 5.0 | 4.3 | 5.0 | 4.5 | 4.0 |
| CORPORATION PROFITS BEFORE TAXES | 2,890 | 2,797 | 3,029 | 3,615 | 4,258 | 4,527 | 4,779 |
| | 11.2 | -3.2 | 8.3 | 19.3 | 17.8 | 6.3 | 5.6 |
| INTEREST AND MISCELLANEOUS INVESTMENT INCOME | 3,041 | 3,011 | 2,697 | 2,019 | 2,493 | 3,084 | 3,299 |
| | 12.5 | -1.0 | -10.4 | -25.1 | 23.5 | 23.7 | 7.0 |
| ACCRUED NET INCOME OF FARM OPERATORS | 221 | 318 | 271 | 224 | 332 | -56 | 350 |
| | 667.8 | 43.9 | -15.0 | -17.1 | 48.1 | -117.0 | 721.1 |
| NET INCOME OF NON-FARM UNINCORPORATED BUSINESS | 2,245 | 2,357 | 2,471 | 2,506 | 2,609 | 2,728 | 2,850 |
| | 1.7 | 5.0 | 4.8 | 1.4 | 4.1 | 4.6 | 4.5 |
| INVENTORY VALUATION ADJUSTMENT | -93 | -66 | -84 | 148 | -43 | -5 | -28 |
| TAXES LESS SUBSIDIES ON FACTORS OF PRODUCTION | 1,777 | 1,771 | 1,842 | 1,876 | 1,965 | 1,982 | 2,024 |
| | 2.4 | -0.3 | 4.0 | 1.8 | 4.7 | 0.9 | 2.1 |
| **NET DOMESTIC PRODUCT AT BASIC PRICES** | **27,227** | **27,921** | **28,852** | **29,810** | **31,997** | **33,569** | **35,431** |
| | 6.7 | 2.5 | 3.3 | 3.3 | 7.3 | 4.9 | 5.5 |
| TAXES LESS SUBSIDIES ON PRODUCTS | 2,482 | 2,628 | 2,968 | 2,906 | 2,890 | 2,950 | 3,014 |
| | 9.1 | 5.9 | 12.9 | -2.1 | -0.6 | 2.1 | 2.2 |
| CAPITAL CONSUMPTION ALLOWANCES | 4,377 | 4,640 | 4,909 | 5,139 | 5,394 | 5,669 | 5,950 |
| | 5.2 | 6.0 | 5.8 | 4.7 | 5.0 | 5.1 | 5.0 |
| STATISTICAL DISCREPANCY | -47 | -61 | -79 | -56 | -104 | -76 | 66 |
| **GROSS DOMESTIC PRODUCT AT MARKET PRICES** | **34,039** | **35,129** | **36,650** | **37,798** | **40,177** | **42,112** | **44,461** |
| | 6.5 | 3.2 | 4.3 | 3.1 | 6.3 | 4.8 | 5.6 |
| GROSS DOMESTIC PRODUCT AT BASIC PRICES | 31,557 | 32,501 | 33,682 | 34,892 | 37,287 | 39,162 | 41,447 |
| | 6.4 | 3.0 | 3.6 | 3.6 | 6.9 | 5.0 | 5.8 |

MANITOBA BUREAU OF STATISTICS
November, 2006

TABLE 4

MANITOBA PERSONAL INCOME
SOURCES AND DISPOSITION
2000 - 2006

| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 Projected |
|---|---|---|---|---|---|---|---|
| | (MILLIONS OF CURRENT DOLLARS) | | | | | | |
| WAGES, SALARIES AND SUPPLEMENTARY LABOUR INCOME* | 17,221 | 17,833 | 18,711 | 19,515 | 20,258 | 21,171 | 22,018 |
| | 5.4 | 3.6 | 4.9 | 4.3 | 3.8 | 4.5 | 4.0 |
| ACCRUED NET INCOME OF FARM OPERATORS | 221 | 318 | 271 | 224 | 332 | -56 | 350 |
| | 667.8 | 43.9 | -15.0 | -17.1 | 48.1 | -117.0 | |
| NET INCOME OF NON-FARM UNINCORPORATED BUSINESS | 2,245 | 2,357 | 2,471 | 2,506 | 2,609 | 2,728 | 2,850 |
| | 1.7 | 5.0 | 4.8 | 1.4 | 4.1 | 4.6 | 4.5 |
| INTEREST, DIVIDENDS AND MISCELLANEOUS INVESTMENT INCOME | 3,889 | 3,814 | 3,439 | 3,371 | 3,471 | 3,605 | 3,718 |
| | 4.8 | -1.9 | -9.8 | -2.0 | 3.0 | 3.9 | 3.1 |
| CURRENT TRANSFERS: | | | | | | | |
| FROM GOVERNMENT | 4,652 | 4,729 | 4,895 | 4,996 | 5,195 | 5,399 | 5,546 |
| | 4.3 | 1.7 | 3.5 | 2.1 | 4.0 | 3.9 | 2.7 |
| FROM CORPORATIONS | 55 | 104 | 48 | 45 | 48 | 53 | 60 |
| | 27.9 | 89.1 | -53.8 | -6.3 | 6.7 | 10.4 | 12.6 |
| FROM NON-RESIDENTS | 88 | 91 | 92 | 91 | 96 | 97 | 85 |
| | 3.5 | 3.4 | 1.1 | -1.1 | 5.5 | 1.0 | -12.8 |
| **PERSONAL INCOME** | **28,371** | **29,246** | **29,927** | **30,748** | **32,009** | **32,997** | **34,627** |
| | 5.6 | 3.1 | 2.3 | 2.7 | 4.1 | 3.1 | 4.9 |
| DEDUCT: | | | | | | | |
| CURRENT TRANSFERS TO GOVERNMENT | 6,252 | 6,259 | 6,416 | 6,538 | 6,943 | 7,438 | 7,775 |
| | 8.1 | 0.1 | 2.5 | 1.9 | 6.2 | 7.1 | 4.5 |
| EQUALS: | | | | | | | |
| **PERSONAL DISPOSABLE INCOME** | **22,119** | **22,987** | **23,511** | **24,210** | **25,066** | **25,559** | **26,851** |
| | 4.9 | 3.9 | 2.3 | 3.0 | 3.5 | 2.0 | 5.1 |
| DEDUCT: | | | | | | | |
| PERSONAL EXPENDITURE ON CONSUMER GOODS AND SERVICES | 20,602 | 21,436 | 22,502 | 23,346 | 24,515 | 25,725 | 26,832 |
| | 4.2 | 4.1 | 5.0 | 3.8 | 5.0 | 4.9 | 4.3 |
| CURRENT TRANSFERS TO CORPORATIONS | 338 | 352 | 316 | 353 | 370 | 393 | 427 |
| | 25.7 | 4.1 | -10.2 | 11.7 | 4.8 | 6.2 | 8.6 |
| CURRENT TRANSFERS TO NON-RESIDENTS | 71 | 79 | 91 | 97 | 104 | 117 | 122 |
| | 9.2 | 11.3 | 15.2 | 6.6 | 7.2 | 12.5 | 3.9 |
| EQUALS: | | | | | | | |
| PERSONAL SAVING | 1,108 | 1,120 | 602 | 414 | 77 | -676 | -529 |
| | 13.0 | 1.0 | -46.2 | -31.2 | -81.4 | ... | ... |
| **PERSONAL SAVINGS RATE** | **5.0** | **4.9** | **2.6** | **1.7** | **0.3** | **-2.6** | **-2.0** |

* LABOUR INCOME BASED ON PROVINCE OF RESIDENCE.

MANITOBA BUREAU OF STATISTICS
November, 2006

MANITOBA ECONOMIC ACCOUNTS
TABLE 4

TABLE 5

MANITOBA FARM INCOME
RECONCILIATION
2000 - 2006

| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 Projected |
|---|---|---|---|---|---|---|---|
| | (MILLIONS OF CURRENT DOLLARS) | | | | | | |
| TOTAL FARM CASH RECEIPTS | 3,151 | 3,701 | 3,848 | 3,574 | 3,903 | 3,743 | 3,680 |
| | 8.3 | 17.5 | 4.0 | -7.1 | 9.2 | -4.1 | -1.7 |
| CROPS | 1,313 | 1,519 | 1,913 | 1,704 | 1,788 | 1,282 | 1,323 |
| | -6.3 | 15.8 | 25.9 | -10.9 | 4.9 | -28.3 | 3.2 |
| LIVESTOCK | 1,551 | 1,800 | 1,716 | 1,561 | 1,656 | 1,766 | 1,656 |
| | 20.1 | 16.0 | -4.6 | -9.0 | 6.1 | 6.6 | -6.2 |
| DIRECT PAYMENTS | 287 | 382 | 219 | 308 | 459 | 694 | 701 |
| | 32.9 | 33.1 | -42.7 | 40.7 | 48.9 | 51.4 | 0.9 |
| MINUS: OPERATING EXPENSES | 2,563 | 2,790 | 2,919 | 3,068 | 3,140 | 3,117 | 3,219 |
| | 7.9 | 8.8 | 4.6 | 5.1 | 2.3 | -0.7 | 3.3 |
| **= NET CASH INCOME** | **587** | **912** | **929** | **505** | **763** | **626** | **461** |
| | 10.4 | 55.3 | 1.9 | -45.6 | 51.0 | -18.0 | -26.2 |
| PLUS: INCOME IN KIND | 9 | 9 | 8 | 8 | 9 | 12 | 12 |
| | -8.7 | -4.3 | -5.0 | -1.9 | 10.6 | 33.3 | 0.0 |
| MINUS: DEPRECIATION CHARGES | 387 | 398 | 397 | 412 | 404 | 411 | 412 |
| | -0.5 | 2.8 | -0.1 | 3.7 | -1.9 | 1.6 | 0.3 |
| **= REALIZED NET INCOME** | **209** | **522** | **540** | **101** | **368** | **227** | **61** |
| | 36.9 | 149.6 | 3.4 | -81.2 | 263.0 | -38.3 | -72.9 |
| PLUS: VALUE OF INVENTORY CHANGE | 98 | -9 | -127 | 131 | -39 | -294 | 287 |
| MINUS: AMOUNTS INCLUDED IN OTHER COMPONENTS OF GDP | 68 | 96 | 115 | 107 | 83 | 0 | 40 |
| | 126.7 | 41.2 | 19.8 | -7.0 | -22.4 | – | – |
| PLUS: FARM CASH ADJUSTMENTS | -7 | -94 | -21 | 66 | 94 | 23 | 27 |
| **= NET INCOME RECEIVED BY FARM OPERATORS FROM FARM PRODUCTION** | **232** | **324** | **278** | **191** | **340** | **-43** | **335** |
| | 1467.9 | 39.7 | -14.4 | -31.1 | 77.8 | -112.8 | 772.9 |
| PLUS: ADJUSTMENT ON GRAIN TRANSACTIONS | -11 | -6 | -7 | 33 | -8 | -13 | 15 |
| **= ACCRUED NET INCOME OF FARM OPERATORS** | **221** | **318** | **271** | **224** | **332** | **-56** | **350** |
| | 667.8 | 43.9 | -15.0 | -17.1 | 48.1 | -117.0 | -721.1 |

TABLE 6

MANITOBA PRICE INDEXES
(CHAINED 1997 DOLLARS)
2000 - 2006

| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 Projected |
|---|---|---|---|---|---|---|---|
| PERSONAL EXPENDITURE | 105.0 | 107.2 | 109.4 | 111.2 | 112.9 | 114.9 | 115.7 |
| | 1.9 | 2.1 | 2.1 | 1.6 | 1.5 | 1.8 | 0.6 |
| GOVERNMENT EXPENDITURE | 109.4 | 111.2 | 113.9 | 116.6 | 119.1 | 123.3 | 124.4 |
| | 5.4 | 1.7 | 2.5 | 2.3 | 2.2 | 3.5 | 0.9 |
| GOVERNMENT INVESTMENT IN CAPITAL | 103.0 | 103.0 | 103.5 | 103.0 | 105.0 | 106.8 | 107.2 |
| | 3.0 | -0.1 | 0.5 | -0.4 | 1.9 | 1.7 | 0.4 |
| STRUCTURES | 108.1 | 109.0 | 110.4 | 113.3 | 118.8 | 124.2 | 124.2 |
| | 5.0 | 0.8 | 1.3 | 2.7 | 4.9 | 4.5 | 0.0 |
| MACHINERY AND EQUIPMENT | 92.9 | 91.3 | 90.3 | 84.3 | 80.2 | 75.0 | 76.2 |
| | -0.8 | -1.7 | -1.1 | -6.6 | -4.8 | -6.5 | 1.7 |
| BUSINESS INVESTMENT | 102.5 | 104.2 | 105.9 | 103.8 | 105.3 | 106.2 | 109.0 |
| | 1.0 | 1.7 | 1.6 | -1.9 | 1.4 | 0.9 | 2.6 |
| RESIDENTIAL STRUCTURES | 104.7 | 106.9 | 109.1 | 112.6 | 120.2 | 124.7 | 127.2 |
| | 1.8 | 2.1 | 2.1 | 3.2 | 6.7 | 3.7 | 2.0 |
| NON-RESIDENTIAL STRUCTURES | 108.0 | 109.7 | 111.6 | 113.9 | 120.0 | 125.0 | 126.9 |
| | 3.5 | 1.5 | 1.8 | 2.1 | 5.3 | 4.2 | 1.5 |
| MACHINERY AND EQUIPMENT | 98.6 | 100.2 | 101.6 | 95.4 | 92.3 | 90.3 | 93.4 |
| | -0.5 | 1.6 | 1.4 | -6.1 | -3.3 | -2.2 | 3.5 |
| EXPORTS OF GOODS AND SERVICES | 104.0 | 105.6 | 106.7 | 105.3 | 107.2 | 107.7 | 109.3 |
| | 3.9 | 1.6 | 1.0 | -1.4 | 1.8 | 0.4 | 1.5 |
| EXPORTS TO OTHER COUNTRIES | 105.1 | 106.6 | 106.9 | 104.7 | 107.5 | 106.8 | 109.0 |
| | 5.2 | 1.4 | 0.4 | -2.1 | 2.6 | -0.7 | 2.1 |
| EXPORTS TO OTHER PROVINCES | 103.0 | 104.8 | 106.6 | 105.8 | 107.0 | 108.6 | 109.6 |
| | 2.6 | 1.7 | 1.7 | -0.7 | 1.1 | 1.5 | 1.0 |
| DEDUCT: IMPORTS OF GOODS AND SERVICES | 106.1 | 108.1 | 108.2 | 105.9 | 106.4 | 106.8 | 107.0 |
| | 3.6 | 1.9 | 0.1 | -2.1 | 0.4 | 0.4 | 0.2 |
| IMPORTS FROM OTHER COUNTRIES | 104.0 | 107.7 | 108.2 | 100.7 | 98.5 | 94.9 | 93.5 |
| | 1.0 | 3.6 | 0.5 | -7.0 | -2.2 | -3.6 | -1.6 |
| IMPORTS FROM OTHER PROVINCES | 108.0 | 108.4 | 108.1 | 110.6 | 113.6 | 117.7 | 119.6 |
| | 6.1 | 0.4 | -0.3 | 2.3 | 2.7 | 3.6 | 1.6 |
| **GDP AT MARKET PRICES** | 103.8 | 106.2 | 108.6 | 109.8 | 113.6 | 115.8 | 118.4 |
| | 2.2 | 2.4 | 2.2 | 1.1 | 3.5 | 1.9 | 2.3 |
| FINAL DOMESTIC DEMAND | 105.5 | 107.5 | 109.7 | 111.1 | 112.9 | 115.2 | 116.4 |
| | 2.6 | 1.9 | 2.1 | 1.2 | 1.7 | 2.0 | 1.0 |

MANITOBA BUREAU OF STATISTICS
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MANITOBA ECONOMIC ACCOUNTS
TABLE 6

Manitoba